

Attachment B

Resolution No. _____

Resolution: To petition the State of Maryland to reinstate state shared revenues diverted from municipal governments to fund operations of the state and to provide more diverse revenue raising authority to municipalities.

WHEREAS, the Mayor and Council of Rockville desires to petition the Administration and the Maryland General Assembly to reinstate state shared revenues diverted from municipal governments to fund operations of the state and to provide more diverse revenue raising authority to municipalities; and

WHEREAS, the State has slashed vital State-shared revenues historically provided to municipal governments, on average, by more than 75% for this current fiscal year and by more than 90% for many municipalities; and

WHEREAS, future budgets approved by the Administration and the Maryland General Assembly continue these significant and untenable cuts to cities and towns; and

WHEREAS, municipal governments more than any other government form in Maryland rely on the property tax as their primary general fund revenue source;

WHEREAS, increases in property tax rates, cutbacks in local service provision, elimination of local road projects, and reductions in workforce are the sole options left to municipalities to offset this devastating loss of general fund revenues and incorporated municipalities' extremely narrow taxing authority prevents them from raising alternative funds to lost highway user revenues and police aid that have been diverted to balance the state's general fund; and

WHEREAS, this issue is of significant importance to the Mayor and Council of the City of Rockville and it is critical that the Administration and Maryland General Assembly take actions needed to rectify this serious problem.

NOW THEREFORE, BE IT RESOLVED, BY THE MAYOR AND COUNCIL OF ROCKVILLE, that the Mayor and Council urges the Administration for this coming and future fiscal years, to submit a budget document to the General Assembly reinstating to municipal governments full funding for highway user revenues and state aid for police protection; and that the Maryland General Assembly enact and the Governor sign into law enabling legislation to significantly broaden the authority of incorporated municipalities to raise own-source revenues to reduce the reliance of cities and towns on the property tax to fund municipal government services.

I hereby certify that the foregoing is a true and correct copy of a Resolution adopted by the Mayor and Council at its meeting of September 13, 2010.

Glenda P. Evans, City Clerk